

ATTACHMENT H - FINANCIAL RESPONSIBILITY DEMONSTRATION

CLASS VI EMERGENCY AND REMEDIAL RESPONSE INSURANCE 40 CFR 146.85

Emergency and Remedial Response Insurance

Carbon TerraVault Holding LLC (CTV) will provide financial assurance for Emergency and Remedial Response by procuring an environmental insurance policy. The limits will be re-determined by a reasonable estimate of the cost of these activities prior to the commencement of injection operations. The project environmental insurance policy will be placed with an A.M. Best A or higher rated carrier and will cover all emergency and remedial response activities arising from the assets. The selected insurance carrier will issue a financial assurance certificate in compliance with state and federal regulations.

FINANCIAL RESPONSIBILITY CTV V

CLASS VI INJECTION WELL PLUGGING, CORRECTIVE ACTION AND POST- INJECTION SITE CARE AND CLOSURE LETTER OF CREDIT 40 CFR 146.85

Letter of Credit Description

Carbon TerraVault Holdings LLC (CTV) will provide financial assurance for Injection Well Plugging, Corrective Action and Post-injection Site Care and Site Closure by posting a letter of credit. The amount of each letter of credit would be determined by a reasonable estimate of the cost of these activities. CTV will provide an updated estimate from a third party prior to project approval.

The letter of credit will be backed by California Resources Corporation's (CRC) Credit Agreement with Citibank, N.A., as administrative agent, and certain other lenders as participants. This credit agreement consists of a senior revolving loan facility (Revolving Credit Facility) with an aggregate commitment of \$492 million, which CRC is permitted to increase if CRC obtains additional commitments from new or existing lenders. The Revolving Credit Facility also includes a sub-limit of \$200 million for the issuance of letters of credit. The letters of credit were issued to support ordinary course marketing, insurance, regulatory and other matters.

As of June 30, 2021, CRC had an undrawn Revolving Credit Facility, approximately \$75 million available in letter of credit issuance capacity and \$151 million of cash. CRC is currently making efforts to add to the aggregate commitment and the sub-limit for letters of credit.

CLASS VI FINANCIAL RESPONSIBILITY DEMONSTRATION

COST ESTIMATE

CTV V

Carbon TerraVault LLC (CTV) had the following cost estimate prepared by third party contractor, Daniel B. Stephens & Associates, Inc., completed on 6/9/2023.

Table 1. Financial Responsibility Cost Summary

Case	Description	Outcome	Reference
1	A 10-year-old boy with a history of seizures and a family history of epilepsy.	The patient was treated with antiepileptic drugs and had a good response.	Smith et al. (2010)
2	A 15-year-old girl with a history of seizures and a family history of epilepsy.	The patient was treated with antiepileptic drugs and had a good response.	Jones et al. (2011)
3	A 20-year-old man with a history of seizures and a family history of epilepsy.	The patient was treated with antiepileptic drugs and had a good response.	Brown et al. (2012)
4	A 25-year-old woman with a history of seizures and a family history of epilepsy.	The patient was treated with antiepileptic drugs and had a good response.	Davis et al. (2013)
5	A 30-year-old man with a history of seizures and a family history of epilepsy.	The patient was treated with antiepileptic drugs and had a good response.	Miller et al. (2014)

Table 2. Costs, Corrective Action Total

[illegible]

Table 3. Costs, Injection Well Abandonment

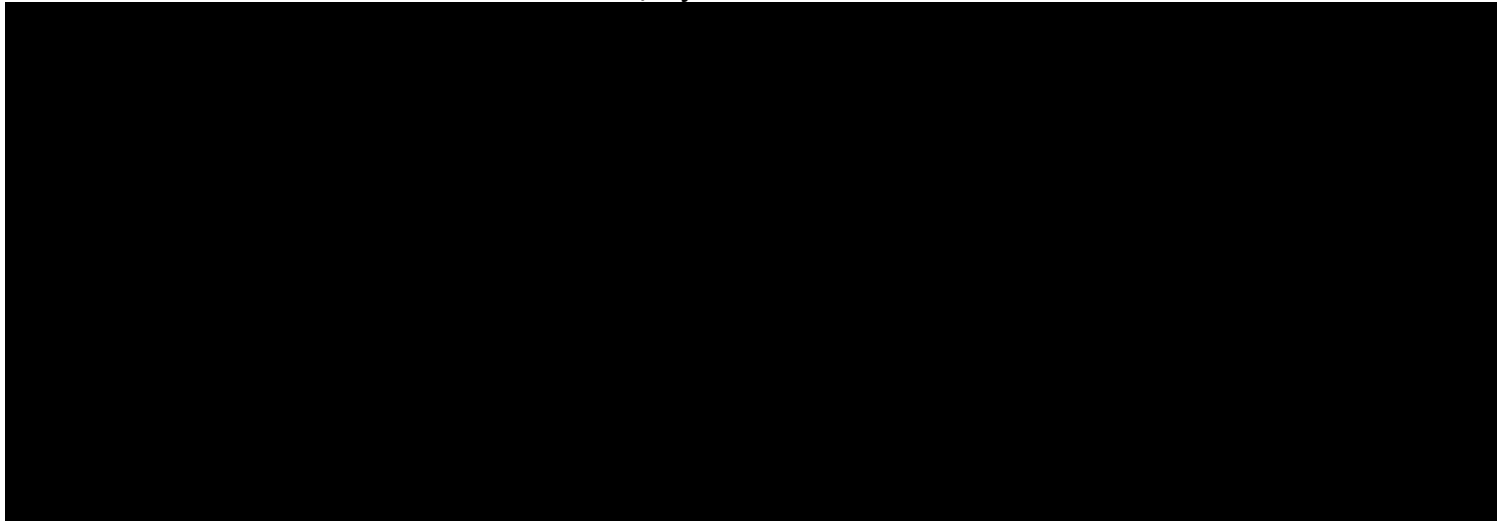


Table 4. Post Injection Site Care Costs

Table 5. Costs, Site Closure

[illegible]

Table 6. Emergency Response

Groundwater Contamination Causal Investigation

Groundwater Contamination Remediation

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References

[Redacted]

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